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New DWP Solar Power Program Offers Residents and Businesses Financial Incentives to Use Solar Power

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LOS ANGELES, Jun 7, 2000 (BUSINESS WIRE) --

New Solar Incentive Program Expected to Boost Number of Solar Users and Bring Economic Benefits to Los Angeles

The Los Angeles Department of Water and Power (DWP) Board of Commissioners yesterday, June 6, approved the first year of a multi-year solar program that provides financial incentives designed to encourage DWP's residential, commercial and industrial customers to install solar photovoltaic systems that generate electricity without producing air or noise pollution.

This new five-year program provides payments of up to \$5 per watt to qualified homeowners and businesses that purchase and install their own solar photovoltaic systems. Six million dollars are earmarked for the first year of the program. Each of the following four years have funds reserved at a minimum of \$8 million. The program also seeks to serve as a catalyst to economic development and job creation since large numbers of installations will be an incentive to manufacturers of solar photovoltaic systems to locate their businesses in Los Angeles.

"Los Angeles is the 'sunshine city' and we should aggressively pursue opportunities to use this clean renewable energy source to create a solar powered city," said S. David Freeman, DWP general manager. "The potential economic development benefits of the program are significant and we fully expect to bring several new manufacturers of solar photovoltaic systems to Los Angeles in the very near future," Freeman continued.

The program is designed to encourage the use of clean renewable energy through the installation of solar photovoltaic systems by residents and businesses in Los Angeles. By increasing the market for solar products and manufacturing incentives, Los Angeles will grow more attractive to solar companies that are seeking locations for their factories.

DWP Board President Rick Caruso applauded the creative steps taken by Department employees to reduce reliance on polluting energy sources, while simultaneously stimulating economic development. "This is government working harder and smarter - cleaning the air and creating jobs to improve our city," he said.

Financial incentives for the program will be provided on a first-come, first-served basis. Reimbursements are determined by several factors including the total cost of the solar system, its total energy capacity and the availability of funds at the time incentive funds are reserved. On average, this incentive program offsets the consumer's cost by approximately 50 percent. For the average size household, installing a 1,000 watt system, total out-of-pocket costs would be approximately \$2,500.

"Not only are we adding new clean power to L.A.'s grid, we are enhancing DWP's system reliability because this power will be generated at the same location where it is being consumed, said Angelina Galiteva, DWP's director of strategic planning, the division of the utility overseeing this program.

To be eligible, homes and businesses must be located in the DWP service area and the selected solar system must have a full five-year warranty and be installed by a licensed contractor. A customer's solar system must also be permanently installed and be large enough that the electricity produced will offset part or all of the customer's energy needs at the location. Customers can choose to receive payments directly or they can be paid directly to the seller of the system.

The new program is expected to start in September. The program is funded under DWP's public benefits program authorized by AB 1890, California's electric utility restructuring act.

The solar program is one in a series of DWP environmental initiatives, including Green Power for a Green LA, Energy Solutions for a Green LA, Cools Schools and Electric Transportation for a Green LA. Information about these programs is available at www.GreenLA.com.

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